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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation

RAJYA SABHA

The following Bill was introduced in the Rajya Sabha on the 31st March, 1977:—

BILL No. 1 OF 1977

A Bill further to amend the Food Corporations Act, 1964

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short title and commencement.

1. (*1*) This Act may be called the Food Corporations (Amendment) Act, 1977.

(*2*) It shall be deemed to have come into force on the 31st day of December, 1976.

Amendment of section 12A

87 of 1964

2. In section 12A of the Food Corporations Act, 1964 (hereinafter referred to as the principal Act)—

(*i*) in sub-section (*3*), for the words, brackets and figures "subject to the provisions of sub-sections (*4*), (*5*) and (*6*)", the words, brackets, figures and letters "subject to the provisions of sub-sections (*4*), (*4A*), (*4B*), (*4C*), (*5*) and (*6*)" shall be substituted;

(*ii*) after sub-section (*4*), the following sub-sections shall be inserted, namely·—

"(*4A*) Notwithstanding anything contained in sub-section (*4*),—

(*a*) every officer or other employee in respect of whom an order of transfer under sub-section (*1*) had been made before the date of commencement of the Food Corporations (Amendment) Act, 1977 (hereafter in this section referred to as the appointed day) shall, whether or not he had exercised the option under sub-section (*4*) before the appointed day, exercise such option within six months from the appointed day; and

(*b*) every officer or other employee in respect of whom an order of transfer under sub-section (*1*) may be made after the appointed day shall, within six months from the date of such order, exercise his option under sub-section (*4*),

and in each such case such option once exercised shall be final:

Provided that where an officer or other employee having exercised an option under sub-section (*4*) before the appointed day—

(*i*) has died or retired before the appointed day, or dies or retires after the appointed day, before exercising the option as required by this sub-section, or

(*ii*) does not exercise the option as required by this sub-section,

the option already exercised by him shall be deemed to have been validly exercised by him under sub-section (*4*)

(*4B*) Where an officer or other employee—

(*a*) has died or retired, or dies or retires, after an order of transfer under sub-section (*1*) in respect of such officer or other employee is made but before exercising the option under sub-section (*4*) or, as the case may be, as required by sub-section (*4A*); or

(*b*) has died or retired, or dies or retires, before an order of transfer under sub-section (*1*) in respect of such officer or other employee is made.

he shall, notwithstanding anything contained in sub-section (*4*) or sub-section (*4A*),—

(*i*) in a case falling under clause (*a*), be deemed to have exercised an option under sub-section (*4*); and

(*ii*) in a case falling under clause (*b*), be deemed to have been transferred under sub-section (*1*) and exercised an option under sub-section (*4*),

to be governed by the leave, provident fund, retirement or other terminal benefits admissible to the employees of the Central Government in accordance with the rules and orders of the Central Government as amended from time to time·

Provided that nothing in clause (*a*) of this sub-section shall apply to an officer or other employee who has, before the appointed day, been paid the terminal benefits as admissible to the employees of the Corporation under the regulations made by the Corporation under this Act unless such officer or other employee refunds in a lump sum within six months from the appointed day the amount of contributions made by the Corporation towards such terminal benefits:

Provided further that nothing in clause (*b*) of this sub-section shall apply to an officer or other employee who has intimated, under the proviso to sub-section (*1*), his intention of not becoming an employee of the Corporation.

(*4C*) Where an officer or other employee has exercised an option under sub-section (*4*), or exercises, or is deemed to have exercised, an option under that sub-section, read with sub-section (*4A*) or sub-section (*4B*), to be governed by the leave, provident fund, retirement or other terminal benefits admissible to the employees of the Central Government, such benefits shall be calculated on the basis of the pay and allowances drawn by him in the Corporation ".

16 of 1976

3. (*1*) The Food Corporations (Amendment) Ordinance, 1976, is hereby repealed. **Repeal and saving.**

(*2*) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act, as amended by this Act

STATEMENT OF OBJECTS AND REASONS

Section 12A of the Food Corporations Act, 1964 regulates the transfer of officers and staff working in the Food Department of the Government of India to the Food Corporation of India (hereinafter referred to as the Corporation) as and when the work relating to purchase, storage, movement, distribution and sale of food grains performed by the Food Department was transferred to the Corporation. The said section 12A envisages the exercise of two options by the said officers and staff. The first option is required to be given before the order of transfer is made to indicate as to whether an employee is willing to be transferred to the Corporation or not and the second has to be exercised within six months from the date of transfer as to whether he would like to be governed by the retirement benefits of the Central Government or of the Corporation. The date of formal transfer in the case of all those whose services were placed with the Corporation from time to time was fixed as 1st March, 1969 which corresponds to the date when the process of transfer of functions from the Food Department was completed. It took some time to secure the first option mentioned about and to get the service particulars from the employees with the result that even the first transfer order was issued only in 1972. The employees could not, therefore, give their option in regard to the retirement benefits as the period of six months from the date of transfer had already expired by the time the transfer orders were issued. In some cases employees have either died or retired before the issue of the formal transfer orders or before exercising the second option Formal orders of transfer are yet to be issued in respect of certain employees. In view of the above, cases relating to retirement benefits of many employees still remain unsettled. Keeping in view also the urgency to mitigate the financial hardship of such employees, it was considered necessary to amend the Food Corporations Act, 1964, by means of an Ordinance Accordingly, the Food Corporations (Amendment) Ordinance, 1976, was promulgated on 31st December, 1976.

2 The said Ordinance *inter alia* provided for the following matters, namely:—

(*i*) The exercise of a fresh option in respect of retirement benefits to all serving employees of the Corporation within a period of six months from the date of commencement of the Ordinance irrespective of whether they had exercised the option earlier or not.

(*ii*) In respect of those employees for whom formal orders of transfer are yet to be issued, the said option can be exercised within a period of six months from the date of such orders.

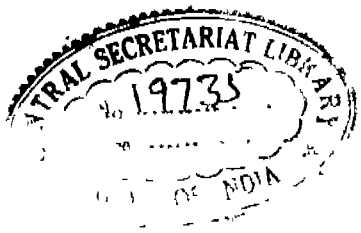
(*iii*) The validation of all the options exercised by the employees who have either died or retired

(*iv*) Conferment of Central Government retirement benefits to certain employees as such benefits were more favourable than the retirement benefits of the Corporation

The Bill seeks to replace the above Ordinance.

NEW DELHI;
The 29th March, 1977.

PARKASH SINGH BADAL.



S. S. BHALERAO,
Secretary-General.

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